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September 2, 2005

Deborah Platt Majoras, Chairman Federal Trade Commission 600 Pennsylvania Avenue NW Washington, D.C. 20580

Dear Chairman Majoras:

We are writing to you in your capacity as Chairman of the federal agency charged with investigating violations of applicable laws in the gasoline industry.

Gasoline prices have increased dramatically in recent months, and most dramatically over the last week. As of today, the price for a gallon of regular unleaded gasoline has surged above \$3.00. With larger portions of household budgets going toward the price of gasoline, midwestern consumers are finding it increasingly difficult to make ends meet. While discretionary driving can be reduced, many who rely on their cars to get to and from work, or use their vehicles in their business, have little choice but to pay the price and feel the pain each time they pull up to a gasoline pump. Midwesterners are increasingly concerned that the costs of gasoline will spill over into other sectors of the economy, damaging agricultural interests, tourism and other vital industries.

We understand that market forces may explain part of the recent dramatic price increases, including increased worldwide demand for crude oil and gasoline, political instability in certain oil-producing countries, strained refinery capacity in the U.S., natural disasters like Hurricane Katrina and other supply and demand factors. We understand further that situations like this arguably limit our enforcement efforts.

However, as prices near historically high levels, it is important that we make sure that no part of the retail price is attributable to conduct that violates the antitrust or consumer protection

laws. For this reason, we join in the call from the Illinois Attorney General for the FTC to address the increasing price of gasoline. First, we ask that the FTC make it a top priority to continually update its local price monitoring study to determine whether there are any patterns in wholesale and retail gasoline prices in cities covered by this program which are not explained by crude oil prices and other relevant market factors and therefore suggest that illegal activity may be occurring. As soon as we are notified of any such anomaly, we will stand ready to work with the FTC staff to investigate further.

Second, and consistent with its obligations under the recently enacted Energy Policy Act, we ask that the FTC investigate to determine whether the price of gasoline in the upper midwest is being artificially manipulated by reducing refinery capacity or by any other form of market manipulation in the supply chain or through price gouging practices.

In any of the above efforts, we will be happy to provide you with any relevant information which we may have, and we would be pleased to cooperate in any way which may be useful.

Thank you again for your efforts in this important arena.

Sincerely,

Attorney General of the State of Illinois

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Attorney General of the State of Iowa

Attorney General of the State of Michigan

Attorney General of the State of Missouri

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Attorney General of the State of Wisconsin